

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**RECEIVED**

JUN 21 2004

**AZ CORPORATION COMMISSION**  
**DIRECTOR OF UTILITIES**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**



W-01906A  
East Slope Water Company  
301 N Garden Ave  
Sierra Vista, AZ 85635

**ANNUAL REPORT**

**FOR YEAR ENDING**

<b>12</b>	<b>31</b>	<b>2003</b>
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FOR COMMISSION USE

<b>ANN04</b>	<b>03</b>
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## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>EAST SLOPE WATER</u>			
<b>Mailing Address</b> <u>301 N Garden Ave</u>			
(Street)			
<u>Sierra Vista</u>	<u>AZ</u>	<u>85635</u>	
(City)	(State)	(Zip)	
<u>520-438-3289</u>	<u>520-439-9717</u>	<u>520-266-1976</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> <u>nathan@the river.com</u>			
<b>Local Office Mailing Address</b> <u>Same</u>			
(Street)			
(City)	(State)	(Zip)	
Local Office Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____			

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>NATHAN WATKINS</u>		<u>Manager</u>	
(Name)		(Title)	
<u>301 N Garden Ave</u>	<u>Sierra Vista</u>	<u>AZ</u>	<u>85635</u>
(Street)	(City)	(State)	(Zip)
<u>520-438-3289</u>	<u>520-439-9717</u>	<u>520-266-1976</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> <u>nathan@the river.com</u>			
<b>On Site Manager:</b> <u>Same</u>			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

<b>Statutory Agent:</b> <u>Bob Watkins</u>			
(Name)			
<u>21 N Garden Ave</u>	<u>Sierra Vista</u>	<u>AZ</u>	<u>85635</u>
(Street)	(City)	(State)	(Zip)
<u>920-435-4385</u>	<u>920-439-7623</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Attorney:</b> <u>N/A</u>			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### **OWNERSHIP INFORMATION**

Check the following box that applies to your company:

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> <b>Sole Proprietor (S)</b> | <input type="checkbox"/> <b>C Corporation (C) (Other than Association/Co-op)</b> |
| <input type="checkbox"/> <b>Partnership (P)</b>                | <input type="checkbox"/> <b>Subchapter S Corporation (Z)</b>                     |
| <input type="checkbox"/> <b>Bankruptcy (B)</b>                 | <input type="checkbox"/> <b>Association/Co-op (A)</b>                            |
| <input type="checkbox"/> <b>Receivership (R)</b>               | <input type="checkbox"/> <b>Limited Liability Company</b>                        |
| <input type="checkbox"/> <b>Other (Describe)</b> _____         |  |

### **COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> <b>APACHE</b>     | <input checked="" type="checkbox"/> <b>COCHISE</b> | <input type="checkbox"/> <b>COCONINO</b> |
| <input type="checkbox"/> <b>GILA</b>       | <input type="checkbox"/> <b>GRAHAM</b>             | <input type="checkbox"/> <b>GREENLEE</b> |
| <input type="checkbox"/> <b>LA PAZ</b>     | <input type="checkbox"/> <b>MARICOPA</b>           | <input type="checkbox"/> <b>MOHAVE</b>   |
| <input type="checkbox"/> <b>NAVAJO</b>     | <input type="checkbox"/> <b>PIMA</b>               | <input type="checkbox"/> <b>PINAL</b>    |
| <input type="checkbox"/> <b>SANTA CRUZ</b> | <input type="checkbox"/> <b>YAVAPAI</b>            | <input type="checkbox"/> <b>YUMA</b>     |
| <input type="checkbox"/> <b>STATEWIDE</b>  |  |  |

**COMPANY NAME** East Slope Water Co.

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	31,667	19,930	11,737
311	Pumping Equipment	215,682	157,630	58,052
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	143,303	134,342	8,961
333	Services			
334	Meters and Meter Installations	30,990	27,294	3,696
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	11,588	9,245	2,343
341	Transportation Equipment	29,143	25,902	3,241
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>462,373</b>	<b>374,343</b>	<b>88,030</b>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME East Slope Water Co.

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	31,667		
311	Pumping Equipment	215,682		13,267
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	143,303		228
333	Services			
334	Meters and Meter Installations	30,990		759
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	11,588		590
341	Transportation Equipment	29,143		2,154
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>462,373</b>		<b>16,998</b>

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

COMPANY NAME East Slope Water Co.

**BALANCE SHEET**

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 1,701	\$ 5,711
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	3,477	584
146	Notes/Receivables from Associated Companies	13,114	13,114
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 18,292	\$ 19,409
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 445,987	\$ 462,373
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	357,345	374,343
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 88,642	\$ 88,030
	<b>TOTAL ASSETS</b>	\$ 106,934	\$ 107,439

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME East Slope Water Co.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$ 58,764	\$ 47,743
232	Notes Payable (Current Portion)	17,407	17,000
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	5,936	6,136
236	Accrued Taxes	2,625	2,443
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	501	372
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 85,233	\$73,694
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 114,850	\$102,076
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	32,948	32,427
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 32,948	\$ 32,427
	<b>TOTAL LIABILITIES</b>	\$ 233,031	\$208,197
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	< 126,097 >	< 100,758 >
	<b>TOTAL CAPITAL</b>	\$ < 126,097 >	\$ < 100,758 >
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$106,934	\$ 107,439

COMPANY NAME EAST SLOPE WATER CO.

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 212,041	\$ 212,089
460	Unmetered Water Revenue		
474	Other Water Revenues	1,372	715
	<b>TOTAL REVENUES</b>	\$ 213,413	\$ 212,804
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 54,843	\$ 56,080
610	Purchased Water		
615	Purchased Power	42,160	39,102
618	Chemicals		
620	Repairs and Maintenance	10,938	10,900
621	Office Supplies and Expense	6,858	5,625
630	Outside Services	5,486	1,740
635	Water Testing	3,707	3,138
641	Rents	3,600	2,400
650	Transportation Expenses	4,402	6,361
657	Insurance – General Liability	2,633	3,002
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	4,160	4,329
403	Depreciation Expense	21,348	16,998
408	Taxes Other Than Income	5,879	5,902
408.11	Property Taxes	68,450	13,267
409	Income Tax	100	45
	<b>TOTAL OPERATING EXPENSES</b>	\$ 234,564	\$ 168,889
	<b>OPERATING INCOME/(LOSS)</b>	\$ < 21,151 >	\$ 43,915
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses	< 51 >	
427	Interest Expense	< 14,493 >	< 18,576 >
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ < 14,544 >	\$ < 18,576 >
	<b>NET INCOME/(LOSS)</b>	\$ < 35,695 >	\$ 25,339



COMPANY NAME East Slope Water Co.

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	VARIOUS	VARIOUS		
Source of Loan	Wells Fargo Line of Credit	Nathan Watkins		
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$86,535	\$	\$
Amount Outstanding	\$47,173	\$64,025	\$	\$
Date of Maturity				
Interest Rate	14 %	10 %	%	%
Current Year Interest	\$4,724	\$7,068	\$	\$
Current Year Principle	\$1,126	\$10,149	\$	\$

Meter Deposit Balance at Test Year End

\$ 26,508

Meter Deposits Refunded During the Test Year

\$ 5,096

COMPANY NAME ERT SLOPE WATER

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-90136	20	30	549	8	3	1964
55-90137	20	100	560	8	3	1963
55-90138	7.5	40	620	12	2	1971
55-90789	75	300	802	12	4	1977
55-90570	3	40	120	6	N/A	1990
55-90576	3	50	100	6	N/A	1990
55-90605	5	40	175	6	N/A	1995
55-90502	2	20	225	6	N/A	1995

\* Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
15	2	2	1

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
50,000	1	5,000	3
		5,000	1
		1,000	2
		85	4

COMPANY NAME

First Slope Water

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)****MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	14,000
3	M/C	15,000
4	M/C	5,200
5		
6	HDPE	22,000
8		
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	700
3/4	
1	18
1 1/2	4
2	3
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category.

**TREATMENT EQUIPMENT:**


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**STRUCTURES:**


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**OTHER:**


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COMPANY NAME: FRST SLOPE WATER

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	724	5597	
FEBRUARY	722	5479	
MARCH	725	4731	
APRIL	724	5259	
MAY	724	8217	
JUNE	720	8789	
JULY	719	10786	
AUGUST	725	12690	
SEPTEMBER	719	7302	
OCTOBER	726	9211	
NOVEMBER	731	7434	
DECEMBER	733	5376	
TOTAL		N/A	

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes (x) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes (x) No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system. 20.003 mg/l  
(If more than one well, please list each separately.) All wells

**Note: If you are filing for more than one system, please provide separate data sheets for each system.**

COMPANY NAME EAST SIDE WATER YEAR ENDING 12/31/2003

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 24,800.47

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**EAST SLOPE WATER COMPANY, INC.**

301 N. GARDEN AVE.  
SIERRA VISTA, ARIZONA 85635  
(520) 458-3209

WELLS FARGO BANK  
Sierra Vista Office  
Sierra Vista, Arizona

91-527/1221

2364

4/30/2003

PAY TO THE ORDER OF MARSHA BONHAM, COUNTY TREASURE

\$ \*\*6,483.20

Six Thousand Four Hundred Eighty-Three and 20/100\*\*\*\*\* DOLLARS

MARSHA BONHAM, COUNTY TREASURE  
PO Box 1778  
Bisbee AZ 85603

MEMO Par ID# ~~933-36-870-8~~ Second Half 2002

THIS DOCUMENT CONTAINS NO SENSITIVE INFORMATION  
⑈002364⑈ ⑆122105278⑆0911759827⑈

⑈0000648320⑈

**EAST SLOPE WATER COMPANY, INC.**

301 N. GARDEN AVE.  
SIERRA VISTA, ARIZONA 85635  
(520) 458-3209

WELLS FARGO BANK  
Sierra Vista Office  
Sierra Vista, Arizona

91-527/1221

2536

10/17/2003

PAY TO THE ORDER OF MARSHA BONHAM, COUNTY TREASURE

\$ \*\*17,499.78

Seventeen Thousand Four Hundred Ninety-Nine and 78/100\*\*\*\*\* DOLLARS

MARSHA BONHAM, COUNTY TREASURE  
PO Box 1778  
Bisbee AZ 85603

MEMO *B/T 2000/2001/2003 933-36-870-00-8*

THIS DOCUMENT CONTAINS NO SENSITIVE INFORMATION  
⑈002536⑈ ⑆122105278⑆0911759827⑈

⑈0001749978⑈

**EAST SLOPE WATER COMPANY, INC.**

301 N. GARDEN AVE.  
SIERRA VISTA, ARIZONA 85635  
(520) 458-3209

WELLS FARGO BANK  
Sierra Vista Office  
Sierra Vista, Arizona

91-527/1221

2537

10/17/2003

PAY TO THE ORDER OF MARSHA BONHAM, COUNTY TREASURE

\$ \*\*6,339.85

Six Thousand Three Hundred Thirty-Nine and 85/100\*\*\*\*\* DOLLARS

MARSHA BONHAM, COUNTY TREASURE  
PO Box 1778  
Bisbee AZ 85603

MEMO Par ID#98-933-36-870-8 First Half 2003

THIS DOCUMENT CONTAINS NO SENSITIVE INFORMATION  
⑈002536⑈ ⑆122105278⑆0911759827⑈

⑈0000633985⑈

COMPANY NAME EAST SLOPE WATER YEAR ENDING 12/31/2003

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported 3856  
Estimated or Actual Federal Tax Liability \_\_\_\_\_

State Taxable Income Reported 3856  
Estimated or Actual State Tax Liability 43

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances \_\_\_\_\_  
Amount of Gross-Up Tax Collected \_\_\_\_\_  
Total Grossed-Up Contributions/Advances \_\_\_\_\_

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Nathan Leath  
SIGNATURE

4-15-04  
DATE

Nathan Leath  
PRINTED NAME

Manager  
TITLE

VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

RECEIVED

JUN 21 2004

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>COCHISE</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>NATHAN WATKINS Manager</u>
COMPANY NAME	<u>EAST SLOPE WATER</u>

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2003</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

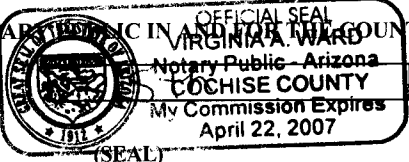
Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 226,509

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 13,705  
IN SALES TAXES BILLED, OR COLLECTED)

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF  
THIS COCHISE COUNTY DAY OF  


Nathan Watkins  
SIGNATURE OF OWNER OR OFFICIAL  
520-458-3209  
TELEPHONE NUMBER

COUNTY NAME	<u>COCHISE</u>
MONTH	<u>April</u>
	<u>2004</u>

Virginia Ward  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 4/22/07



VERIFICATION  
AND  
SWORN STATEMENT  
**RESIDENTIAL REVENUE**  
INTRASTATE REVENUES ONLY

**RECEIVED**

JUN 21 2004

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME) <u>COCHISE</u>	
NAME (OWNER OR OFFICIAL) <u>NATHAN WATKINS</u>	TITLE <u>Manager</u>
COMPANY NAME <u>EAST SLOPE WATER</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 204,859

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 11,722.70  
IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

Nathan Watkins  
SIGNATURE OF OWNER OR OFFICIAL

520-458-3209  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

15th

DAY OF

NOTARY PUBLIC NAME: <u>Virginia Ward</u>
COUNTY NAME: <u>COCHISE</u>
MONTH: <u>April</u> YEAR: <u>2004</u>

(SEAL)

MY COMMISSION EXPIRES

4/22/07

Virginia Ward  
SIGNATURE OF NOTARY PUBLIC

